

Annual Statistics of Natural Gas Companies

1998-2008

Prepared by the Energy Section
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WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION
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INTRODUCTION

The Washington Utilities and Transportation Commission (Commission), as part of its regulatory activities, reviews the Federal Energy Regulatory Commission (FERC) Form 2: Annual Report of Major Gas Utilities and other documents furnished by the regulated natural gas utility companies operating in Washington State. The Commission publishes relevant information on the financial and physical operations of the above mentioned utilities. This report presents the annual statistics of Washington's four natural gas utilities for the years from 1998 through 2008.

NATURAL GAS UTILITIES OPERATING IN WASHINGTON

The four " major " natural gas utilities that operate in Washington State are:

- Cascade Natural Gas
- Northwest Natural Gas
- Puget Sound Energy
- Avista Corporation

As shown in the table below, only Puget Sound Energy operates entirely within Washington State. Northwest Natural Gas operates primarily in Oregon State. Cascade Natural Gas operates primarily inside Washington State.

Natural Gas Operating Revenue By Company			
2008(\$ in Million)			
Company Name	Total Company	Washington Actual	In-State Share (%)
Cascade Natural Gas	\$459.4	\$351.0	76.4
Northwest Natural Gas	1,019.2	95.3	9.4
Puget Sound Energy	1,216.9	1,216.9	100.0
Avista Corporation	736.3	434.4	59.0
Total Utilities	\$3,431.8	\$2097.6	61.1

Note: Puget Sound Power & Light Company and Washington Natural Gas Company merged to form Puget Sound Energy in February, 1997. Puget Sound Energy now operates as a combined gas and electric company in Washington State. In 1991, Washington Water Power

Company acquired CP National to add gas properties and customers in Oregon and California. In addition to this acquisition, effective January 1, 1999, Washington Water Power changed its corporate name to Avista Corporation, d.b.a. Avista Utilities.

GRAPHS AND SUMMARY TABLE

Commission staff presents information in graphs that either combine data from all companies or compare data between companies. The graphs cover a 15 year period while the tables in this report present only the past ten years due to the limited space on each page for data presentation. The first five years source information for the graphs may be found in previous editions of the Annual Statistics Report.

Commission staff compiled a Summary Table. This table illustrates the revenues and expenditures, net income, therms delivered, and customer information for the four companies total natural gas operations in Washington State. The sources of gas revenues indicate that the residential market accounted for 52.97 percent of natural gas revenues in Washington State. The second largest market is the commercial market which accounted for 27.89 percent. The remaining 19.14 percent is industrial, transportation, and other revenue. Graph I on page 5 illustrates the four major market sectors for natural gas revenue generated in Washington State.

INDIVIDUAL COMPANY PROFILE:

Each gas company submits an annual report to the Commission. These reports contain schedules following the uniform system of accounts designated by the Code of Federal Regulations (CFR). For this report, the Commission staff has arranged the information for each company into the following tables:

- Table 1: Balance Sheet--Assets and Other Debits
- Table 2: Balance Sheet--Liabilities and Other Credits
- Table 3: Statement of Income
- Table 4: Statement of Income (continued)
- Table 5: Statement of Unappropriated Retained Earnings
- Table 6: Statement of Net Gas Operating Income
- Table 7: Statement of Cash Flows
- Table 8: Plant, Production and Sales Statistics

Table 9: Sales Statistics for Gas Operations

FORMAT AND CONTENT OF ANNUAL NATURAL GAS REPORT

Time series financial and operational data are presented in tabular form in this report for each of the four natural gas utilities. There are twelve tables for each company except Puget Sound Energy. Nine of twelve tables are "Total Company Operations" and labeled as Tables 1 through 9 in the upper left hand corner. Three are "Washington Operations Only " and labeled as Table 6ST, 8ST and 9ST. Since Puget Sound Energy operates only within Washington State, the "Total Company Operations" and "Washington Operations Only" are identical. There are no Tables 6ST, 8ST and 9ST for Puget Sound Energy.

Each Table is labeled for ease of use and comparison as follows:

1. Company identifier: The letters are an acronym for the company providing the information. This label is placed in the upper left hand corner.
 - CNG - Cascade Natural Gas
 - NWNG - Northwest Natural Gas
 - PSE - Puget Sound Energy
 - AVA – Avista Corporation.
2. Table number: The one digit number is table listed above.
3. "ST": An "ST" found at the end of the table name indicates that the table reflects Washington State operations only.

For example, CNG: Table 1 contains data on balance Sheet - Assets and Other Debits for Cascade Natural Gas and the figures reflect total company operations. However, CNG: Table 6ST contains Cascade Natural Gas information for Washington State operations only. If comparative analyses of multiple companies are needed, simply find tables of like identifier, e.g., CNG: Table 1 and NWNG: Table 1 for comparison of total assets.

CAUTIONARY NOTE

As in any attempt to develop continuous and comparable time series data, one of the main problems is to assure comparability of various data elements. Though comparability is assured at broad group levels, the individual data elements that are added due to changes in

accounting systems pose a continuous problem for comparison over time. For instance, beginning with the 1990 report on tables 6 and 9 for each company the revenues from transporting the gas of others is itemized. Although this became a growing portion of company income in 1986, only data from 1989 forward is compiled. These problems are under continuous investigation and changes and improvements are incorporated as they become appropriate.

If readers have any suggestions or comments, please refer them to the Washington Utilities and Transportation Commission: attention Joanna Huang, Regulatory Analyst, (360) 664-1317 (e-mail: jhuang@utc.wa.gov).